

TENNESSEE GENERAL ASSEMBLY
FISCAL REVIEW COMMITTEE



FISCAL MEMORANDUM

SB 2785 – HB 3252

March 15, 2010

SUMMARY OF AMENDMENT (015165): Deletes the language of the original bill. Grants special consideration for service-disabled veteran owned businesses, similar to consideration given to women-owned business, in the awarding and procuring of state contracts. “Service-disabled veteran owned business” means a business that is at least 51 percent controlled or owned by one or more service-disabled veterans or at least 51 percent of the stock of which is owned or controlled by one or more service-disabled veterans.

FISCAL IMPACT OF ORIGINAL BILL:

Increase State Expenditures - \$1,000/One-Time
\$54,900/Recurring

FISCAL IMPACT OF BILL WITH PROPOSED AMENDMENT:

Unchanged from the original fiscal note.

Assumptions applied to amendment:

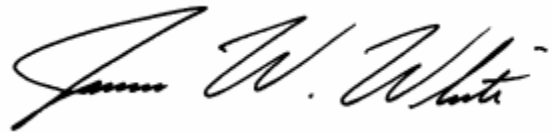
- According to the Department of Labor & Workforce Development, there are approximately 200 service-disabled veteran owned businesses in Tennessee that are registered with the Department of Veterans Affairs.
- This represents a substantial increase in the number of certified businesses.
- The provisions of the bill would also apply to qualifying out of state businesses.
- According to the Department of General Services, the Governor’s Office of Diversity Business Enterprise (GO-DBE) would be required to certify all businesses that apply, identify procurement opportunities, track, and report all purchases and awards made to such businesses.

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- The GO-DBE would need one additional Diversity Business Liaison to absorb the increased workload. The recurring cost of this position is estimated to be \$54,896 for salary and benefits; and one-time costs are estimated to be \$950 (\$650 for a PC workstation and \$300 for a telephone).

CERTIFICATION:

This is to duly certify that the information contained herein is true and correct to the best of my knowledge.

A handwritten signature in black ink, reading "James W. White". The signature is fluid and cursive, with the first name "James" written in a larger, more prominent script than the last name "White".

James W. White, Executive Director

/rct